

**ORDER 2020-39
IN RE SETTLEMENT AGREEMENT**

**KONAMI GAMING, INC.
20-KONAMI-01**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

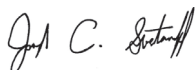
IT IS SO ORDERED THIS THE 10th DAY OF JULY, 2020.

THE INDIANA GAMING COMMISSION:

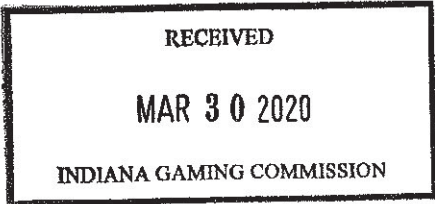


Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary



STATE OF INDIANA
INDIANA GAMING COMMISSION

IN RE THE MATTER OF:)
)
KONAMI GAMING, INC.) SETTLEMENT
) 20-KONAMI-01
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Konami Gaming, Inc. (“Konami”) (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the ignition of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree to the following:

FINDINGS OF FACT

1. 68 IAC 2-6-2(a) provides that the following may not be used for gaming by any casino licensee prior to the executive director, or the executive director's designee, authorizing their inclusion in the commission's online database of approved items and technologies: (1) Electronic gaming devices (EGD) and any component parts material to gaming activity, including, but not limited to, the following: (A) Random number generators. (B) All game media. (C) Progressive controllers. (D) Bill changers.
2. 68 IAC 17-1-3 provides that a casino licensee, casino license applicant, or supplier licensee shall use the commission's electronic gaming device database as prescribed by the commission.
3. In accordance with 68 IAC 17-1-2(a) and 68 IAC 17-1-3, when shipping an item approved under 68 IAC 2-6-2, the casino is required to first provide the Commission with an accurate inventory of each item to be shipped and delivered, including each item’s identification code in the Commission’s Electronic Gaming Device System (the “EGDS”). Shipment should not take place until approval has been granted by the Commission.
4. On January 9, 2020, the Indiana Grand Slot Department inquired with the Commission’s EGD Compliance Manager about an open change request in the EGDS that had not been approved for a shipment of EGD’s to return to Konami. The shipment of EGD’s occurred on May 8, 2019. Subsequently, the EGD Compliance Manager requested a copy of the documents regarding this shipment from Indiana Grand and Konami.
5. On January 13, 2020, the EGD Compliance Manager received two documents: a waiver request from Indiana Grand and a shipment notice from Konami.
6. The EGD Compliance Manager did approve a waiver request for the ten day notification on shipping these EGD’s on April 23, 2019; however, this request was for the waiver

only, and Konami was still required to provide a shipment notification identifying the EGD serial numbers they expected to receive as a part of this shipment. A verification of serial numbers from both parties was required before an approval could be granted in the EGDS.

While Konami did provide a shipment notification dated May 3, 2019, the notification was not stamped and approved by the Commission. Konami was unable to provide a shipment notice that was stamped and approved by the Commission identifying the serial numbers. Since this document was not received nor approved by the Commission, the EGD Compliance Manager never approved the shipment in the EGDS. Therefore, these EGD's were shipped without prior approval.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Konami by and through its agents as described herein constitute a breach of IC 4-33, IC 4-35, and/or 68 IAC. The Commission and Konami hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Konami.

Konami shall pay to the Commission a total of \$1,500 in consideration for the Commission foregoing disciplinary action based on the facts specifically described in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Konami agrees to promptly remit payment in the amount of \$1,500 and shall waive all rights to further administrative or judicial review.

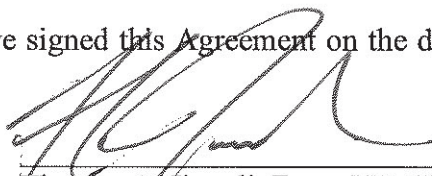
This Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Konami.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date and year as set forth below.

Sara Gonso Tait, Executive Director
Indiana Gaming Commission

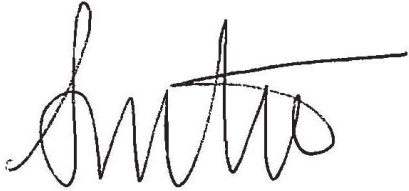


Thomas A. Jingoli, Exec. VP, Chief
Commercial Officer, Director
Konami Gaming, Inc.

Date

Date

IN WITNESS WHEREOF, the parties have signed this Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

6/24/20

Date

Thomas Jingoli, Exec. VP, Chief
Commercial Officer, Director
Konami Gaming, Inc.

Date